SOUTHERN CALIFORNIA EDISON®

An *EDISON INTERNATIONAL*® Company

December 31, 2014

Mr. Richard Bruckner
Director of Planning
Los Angeles County
Department of Regional Planning
320 West Temple Street
Los Angeles, CA 90012

Subject: Application for Emergency Authorization, Million Gallon Tank Repair Project

Dear Mr. Bruckner,

Thank you very much for meeting with SCE on December 15 regarding the emergency repairs needed to the Million Gallon Tank (MGT) on Catalina Island. As we discussed, SCE is seeking emergency authorization to make necessary repairs to the MGT. As required under CCR § 13329.1, the following information is submitted in support of this application.

Background and Nature of Emergency The Million Gallon Tank (MGT) was constructed in 1967 to provide 100,000 gallons of drinking water to both the USC Wrigley Institute for Environmental Studies (Facility) and the community of Two Harbors and 900,000 gallons of fire suppression water to the USC Facility. The MGT is the only source of fire suppression and drinking water for the USC Facility. The community of Two Harbors can receive drinking water from the alternate source of the Twin Tanks. However, this alternate source is fed from the Howland's well, which is currently out of service. Until the new Howland's well is placed into service and its production numbers are proven, the MGT is the only source of drinking water for the community of Two Harbors. Immediate repairs to the MGT are necessary to safeguard the community's water supply.

Cause of and Justification for Emergency The MGT has provided reliable drinking water and fire suppression service since initial construction. However, refurbishment and periodic maintenance is needed to ensure continued reliable operation. Several years ago, the exterior of the MGT was sandblasted and repainted; however, critical internal repair work remains necessary to prevent potential tank failure due to corrosion.

The most recent internal inspection in September 2013 showed that the internal protective coating on the tank's steel has blistered and those blisters are breaking. Water is now entering the cracked blisters, getting behind the protective coating and is coming in contact with the tank steel. The MGT steel surfaces are now experiencing accelerated corrosion from the inside out, from the water coming in contact with the tank steel.

Further, as we noted in our July 2014 letter, a portion of the interior lining of the tank that is deteriorating is composed of coal tar enamel, and because the lining is breaking off the tank wall, questions have been raised regarding the quality of the water leaving the tank. Testing has shown the coal tar enamel lining to contain PCBs, which is now known to have been a common ingredient in water tank protective coatings at the time the MGT was constructed. PCBs are not water soluble, and monthly samples taken from the water leaving the tank have not identified any PCBs in the water provided to customers. Although no PCBs were found in the water served to customers, SCE installed drinking water filtration units in the supply lines to both the USC Facility and the community of Two Harbors. These units went into service in early August 2014.

These effective precautionary steps have ensured that the water is safe to drink and that the community and the regulators, including U.S. Environmental Protection Agency, can feel secure in the water's safety. However, these temporary steps do not address the risk associated with the potential for a tank failure as a result of corrosion, which is the basis for this emergency authorization request.

The urgency of the repair work became even more evident in June 2014, when additional inspections of the tank bottom performed in preparation for the start of MGT repair work revealed 70% thinning of the tank bottom steel in the area inspected-- and it is likely that uninspected areas have more significant thinning. The tank bottom steel is corroding from the outside in. This is a new and significant finding, which underscores and increases the urgency of performing the planned MGT repair.

Location of the Emergency The MGT is located on Catalina Island southeast of the town of Two Harbors just south of Big Fisherman's Cove. The property is owned by SCE and is legally described as a portion of Lot 86 of LACA Map No. 59. The assessor's parcel number for this property is 7480-039-010.

The remedial, protective, or preventive work required to deal with the emergency The MGT is in critical need of repair work as described above. In brief, the remedial or repair work will proceed as follows: Once the permitted temporary fire suppression salt water pumps are installed and operational, the MGT will be drained into 13 temporary 10,000 gallon water tanks and two 5,000 gallon water tanks. Piping will be installed to enable at least 100,000 gallons of drinking water and fresh water fire suppression – in accordance with a plan developed in consultation with LA County Fire Department. The interior tank lining will be removed and a new liner installed. The tank floor will be tested and replaced based on the testing results. Work related to the liner removal, surface preparation, new coating application and waste disposal will be performed in accordance with an EPA approved plan. Staging and laydown areas will consist of three previously disturbed sites. A more detailed MGT Repair Work Plan is attached.

The circumstances during the emergency that appeared to justify the cause(s) of action taken, including the probable consequences of failing to take action.
The repair work must take place as soon as possible to ensure continued reliable service from the MGT, and to avoid a tank bottom leak/failure and the potentially significant damage to the surrounding environment caused by the release of significant volumes of water at a time when stage 2 or stage 3 water rationing is in effect. The consequences of such an event would be

particularly problematic due to the fact that the MGT is the only source of fire suppression and drinking water for the USC Facility and the community of Two Harbors, and a catastrophic failure could impair the only land access route to the USC Facility. Further, after-the-fact repairs to bring the facility back on-line after a failure would require a significant mobilization of equipment and materials and would be extremely disruptive. We believe that such a scenario would cause far greater disruption to the public and the environment.

Biological and cultural resource assessment reports for the MGT Repair project were provided previously by email on September 15, 2014. A revised biological assessment report was submitted on September 25, 2014 in response to comments received from Joseph Decruyenaere. The revised biological assessment report is included here as an attachment for your convenience. The cultural resource report was previously submitted to your staff with a confidentiality statement and is not attached here due to the confidential nature of some of the material included in the report

We would appreciate your agency's quick action to authorize the MGT repair work to move forward expeditiously in January 2015. Please feel free to contact me if additional information is needed.

Thanks very much for your ongoing support on this project.

Please contact me at (818) 585-9149 or Tracey Alsobrook at (626) 462-2589 if you have any questions.

Sincerely,

Tracey Alsobrook

for David Ford
Region Manager
SCE Local Public Affairs

Cc: Sorin Alexanian, Los Angeles County Department of Regional Planning
Mi Kim, Los Angeles County Department of Regional Planning
Greg Ferree, SCE
Joseph Piscotty, SCE
Wendy Miller, SCE
Tracey Alsobrook, SCE

Attachments:

MGT Repair Project Scope
MGT Repair Project Biological Assessment